

REPORT TO: Schools Forum
DATE: 19th October 2022
REPORTING OFFICER: Operational Director - Finance
SUBJECT: DSG forecast outturn for 2022-23
WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

To report to the Schools Forum the Dedicated Schools Grant forecast outturn for 2022-23.

2.0 RECOMMENDATION: That

2.1 The report is noted.

3.0 SUPPORTING INFORMATION

3.1 Grant settlement

The Dedicated Schools Grant allocation for 2022-23 is £132,136,589 broken down as follows:

| | |
|-------------------|--------------|
| Schools Block | £102,178,425 |
| CSSB | £728,189 |
| Early Years Block | £9,355,753 |
| High Needs Block | £19,874,222 |

Of this, £49,904,922 is recouped from the Schools Block and an estimated £3,158,000 is recouped from the High Needs Block for academies etc.

3.2 Schools Block

A transfer to the High Needs Block of 1% was requested for 2022-23 meaning the balance of £101,164,522 was devolved to mainstream primary and secondary schools and academies through the funding formula, £250,000 was earmarked for Invest to Save projects and the balance of £763,904 was used to offset some of the deficit.

We are following the National Funding Formula factors and criteria as well as the NFF cash values.

3.3 Central Schools Services Block

We are currently forecasting the CSSB to come in under budget by £273,802. This is due to Inter Authority Recoupment income amounting to £173,000 relating to 2021-22 not being invoiced until the current year, plus £70,000 of Permanent Exclusions income relating to 2021-22 not being invoiced until the current year. Vacancies have also

contributed to this block coming in under budget. The individual budget lines are shown in Appendix A.

3.4 Early Years Block

The Early Years Block is currently showing as coming in under budget by £920,282 but this is uncertain. Forecasts for the autumn and spring terms need the autumn term headcounts to give an indication of likely spend. We are also uncertain at this point in time of what level of recovery is likely against this DSG block and this cannot be calculated until the spring term. Again the individual budget lines are shown in Appendix A.

3.5 High Needs Block

We are currently facing an in-year deficit of £2,421,633 within the High Needs Block. The areas that are overspending are:

| | Budget | Forecast | Variance |
|-----------------|------------|------------|------------|
| Top-up funding | £1,785,190 | £3,298,005 | £1,512,815 |
| INMSS | £5,759,220 | £6,918,290 | £1,159,070 |
| Inter Authority | £603,990 | £685,239 | £81,249 |

There are a number of areas forecast to come in under budget, totalling £331,501.

3.6 DSG Balances

Therefore the in-year position is a deficit of £1,227,549 plus the deficit balance from 2021-22 of £1,856,222 less the transfer from Schools Block of £763,904 to give a cumulative deficit of £2,319,867.

4.0 **FINANCIAL IMPLICATIONS**

4.1 Further savings and reducing overspends are essential to getting back to a balanced DSG position.

5.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

5.1 **Children & Young People in Halton**

It is essential that schools and education support services receive sufficient funding to allow them to support all children and young people.

5.2 **Employment, Learning & Skills in Halton**

None.

5.3 **A Healthy Halton**

None.

5.4 **A Safer Halton**

None.

5.5 **Halton's Urban Renewal**
None.

6.0 RISK ANALYSIS

6.1 Continued overspending against DSG will impede plans to change and improve services and provision.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 The Local Authority must discharge its statutory responsibilities in relation to all schools and settings.